

# VERMONT ECONOMIC DEVELOPMENT AUTHORITY

## Meeting Minutes

December 16, 2022

A meeting of the Vermont Economic Development Authority (VEDA) convened via video conferencing on December 16, 2022, beginning at 9:30 a.m. Members present via video conferencing were: S. Voigt, Chair; A. Eastman (designee for A. Tebbetts); C. Carpenter; E. Delhagen (designee for J. Tierney); D. Marvin; J. Goldstein (designee for L. Kurrle); K. Hale; K. Bourgeois; M. Snyder; P. Elwell; R. Shippee; T. Foster; T. Gallagher and T. Collier. Staff present via video conferencing: C. Polhemus, Chief Executive Officer; P. Samson, Chief Lending Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; C. Houchens, Chief Risk and Resource Officer; S. Isham, Director of Agricultural Lending; J. Emens-Butler, Director of Closing; S. Buckley, Director of Energy & Broadband Lending; A. Wood, Deputy Director of Agricultural Lending; S. Croft, Deputy Director of Commercial Lending; E. Denny, Senior Commercial Loan Officer and H. Hook, Senior Accountant. Guest present via video conference were A. Doyon, Director, Financial Literacy, Outreach, and Special Projects of the Office of the Vermont State Treasurer. Those Members present constituted a quorum.

### CEO's Report

C. Polhemus provided a staff update, welcoming S. Parette, Loan Closing Officer and M. Harris, Commercial Credit Analyst to VEDA. Other staff news includes the promotion of S. Buckley to Director of Energy & Broadband Lending.

Next, C. Polhemus provided updates on the Public Finance Green Collaborative Initiative, the clean CoBank audit, and the Forgivable Loan Program.

C. Polhemus noted today's meeting will be B. Pearce and M. Snyder's last meeting, thanking them for their time and contribution to VEDA.

C. Polhemus closed her report on the sad news of Will Raap's passing.

### Member Area Review

S. Voigt and K. Hale shared thoughts on the current economy and increasing interest rates. E. Delhagen provided an update on the Green House Gas Reduction Fund. Next, J. Goldstein announced the launch of the Community Recovery and Revitalization Program.

Consent Agenda

Approval Item

1. Minutes of October 28, 2022

Informational Items

2. Strategic Plan – Quarterly Update
3. Board Loan Committee – Approval

Name	Town	Program	Loan Amount
Comfort Inn & Suites St. Johnsbury	St. Johnsbury	Subchapter 5	\$5,000,000

4. Staff Authority – Loan Approvals

Name	Town	Program	Loan Amount
452 Cottage, LLC dba Timberholm Inn	Stowe	Subchapter 5	\$750,000
Stebbins Solar LLC Ballet School of Vermont LLC (The)	Saint Albans City	Comm Energy	\$45,717
Happy Camping Management, LLC (DBA Sunset Rock RV Park)	Isle La Motte	Subchapter 5	\$598,600

5. Staff Authority – Other Business
6. Staff Authority – Other Affiliate Programs – Other Business
7. Forgivable Loan Program – Approvals & Denials

Name	Town	Program	Loan Amount
Burlington Beer Company	Williston	FLP	\$350,000
LEDdynamics, Inc.	Randolph	FLP	\$350,000
Freedom Foods, LLC	Randolph	FLP	\$350,000
Black Flannel Distilling Company, LLC	Essex Junction	FLP	\$80,711

On a motion by T. Collier, seconded by T. Foster, the Minutes of October 28, 2022 meeting were approved by those Members of the Authority present by a vote of 13 to 0 with the Chair abstaining.

Board Financial Summary

T. Richardson presented his financial report, explaining Net Operating Income before fair value adjustment for investments through November 30, 2022 of \$617.7 thousand was unfavorable to budget by \$17.5 thousand. Net Interest Income of \$2.7 thousand was unfavorable

to budget by \$422.5 thousand. Other Income of \$247 thousand was unfavorable to budget by \$270.1 thousand.

Audited Financial Statements

T. Richardson explained the audit was completed by BerryDunn, noting they were very positive to work with and had a large team devoted to the project and providing advice to improve VEDA processes. BerryDunn’s report indicated an unqualified opinion. He then explained the Members of the Audit Committee recommend the approval of the audited financial statement for the years ended June 30, 2022 and 2021.

On a motion by K. Hale, seconded by T. Collier, the draft Audited Financial Statements were approved by those Members of the Authority present by a vote of 13 to 0 with the Chair abstaining.

Approval of SSBCI Venture Capital Investment

T. Richardson presented a request to authorize VEDA to enter into the requisite limited partnership agreements in order to carry out the implementation of the venture capital portion of the SSBCI program approved by US Treasury

On a Motion by T. Collier, seconded by J. Goldstein, the following resolution was approved by those Members of the Authority present by a vote of 13 to 0 with the Chair abstaining.

Resolution

WHEREAS, Vermont Economic Development Authority (“the Authority”) was selected by the State of Vermont to act as the Implementing Entity for the State Small Business Credit Initiative (“SSBCI”) Program under the American Rescue Plan Act of 2021; and

WHEREAS, by Board Resolution adopted December 17, 2021, the Authority was authorized to receive and distribute SSBCI funds to fulfill the obligations of the Implementing Entity for the State of Vermont; and

WHEREAS, the State of Vermont’s SSBCI application to the United States Treasury was approved, with final Allocation Agreement executed July 19, 2022, including the intent to establish four (4) venture capital funds with the Authority acting as limited partner;

NOW THEREFORE BE IT RESOLVED, the Authority is authorized to enter the required limited partnership and related agreements as detailed in the SSBCI application

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approved by the United States Treasury, with the following individuals each individually authorized to enter said agreements on behalf of the Authority:

Cassandra Polhemus, Chief Executive Officer

Thaddeus Richardson, Chief Financial Officer

I, Secretary of Vermont Economic Development Authority, do hereby certify that the above is a true and correct copy of a resolution adopted at the meeting of the Board of Directors of Vermont Economic Development Authority on December 16, 2022, at which a quorum was present and voted.

SEAL

\_\_\_\_\_  
Secretary

Burlington Harbor Marina, LLC – Burlington – FLP – \$44,225

S. Croft explained Burlington Harbor Marina, LLC is requesting a \$44,225 Forgivable Loan Program lot to support on-going operations which were impacted during COVID.

After discussions regarding comparable marinas and the Burlington Harbor Marina location, on a motion by J. Goldstein, seconded by T. Gallagher, the Forgivable Loan Program request was approved by those Members of the Authority present by a vote of 13 to 0 with the Chair abstaining.

Recognition of Elizabeth A. Pearce’s Contributions to VEDA

S. Voigt read the following resolution recognizing B. Pearce for her dedication and commitment to VEDA. A. Doyon indicated how grateful B. Pearce is and how much she has enjoyed her service and her partnership with VEDA as the Vermont State Treasurer.

On a motion by T. Collier, seconded by R. Shippee, the following resolution was approved by those Members of the Authority present by a vote of 13 to 0 with the Chair abstaining.

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Resolution  
Elizabeth A. Pearce

WHEREAS, Elizabeth A. Pearce was Treasurer of the State of Vermont and an ex-officio Member of the Vermont Economic Development Authority (“Authority”) from January 2011 through December 2022; and

WHEREAS, she served as a Member of the State Infrastructure Bank Board from January 2011 through December 2022; and

WHEREAS, she served as a Member of the Loan Committee from February 2017 through December 2022; and

WHEREAS, she served as a Member of the Investment Committee from November 2018 through July 2020; and

WHEREAS, she served as a Member of the Asset Liability Committee from July 2020 through December 2022; and

WHEREAS, she has provided outstanding leadership, guidance, and financial expertise throughout her long service to the Authority and the State of Vermont; and

WHEREAS, with her contributions, the Authority has been an important tool in supporting sound investments in the areas of renewable energy, agriculture, small business, and commercial enterprises compatible with the goals of Vermont and its people; and

WHEREAS, her associates have deep respect for her personal integrity, her willingness to consider the views of others, her excellent judgment and her ability to make sound decisions;

NOW THEREFORE BE IT RESOLVED, that the Members of the Authority, its officers and staff, pay tribute to Elizabeth A. Pearce and express to her their gratitude for her able service, and wish her continuing good health and happiness in her other pursuits; and

BE IT FURTHER RESOLVED, that a copy of this resolution be recorded in the Minutes of the Authority and a copy be furnished to Elizabeth A. Pearce.

Recognition of Michael C. Snyder’s Contribution to VEDA

S. Voigt read the following resolution recognizing M. Snyder for his dedication and commitment to VEDA. M. Snyder thanked the board and acknowledged he learned a lot being on the VEDA Board.

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On a motion by T. Collier, seconded by R. Foster, the following resolution was approved by those Members of the Authority present by a vote of 13 to 0 with the Chair abstaining.

Resolution  
Michael C. Snyder

WHEREAS, Michael C. Snyder served as Commissioner of Forests, Parks and Recreation since January 2011 and was an ex-officio Member of the Vermont Economic Development Authority (“Authority”) from June 2013 through December 2022; and

WHEREAS, he led the Department of Forests, Parks and Recreation, and those it serves, through the recovery from Tropical Storm Irene, the arrival of the Emerald Ash Borer and the COVID-19 pandemic through the lens of adapting the challenge into an opportunity to be better positioned for the future; and

WHEREAS, his successful policy initiatives were advanced based on his experiences and his foresight, and applied to the merits, scientific evidence, and broad consideration for the improvements and modernizations they would achieve for all Vermonters; and

WHEREAS, he has served as an ex-officio Member and supported the mission of the Working Lands Enterprise Board since its inception in 2012, particularly advancing grant opportunities within the forestry sector; and

WHEREAS, he has provided outstanding leadership, guidance, and expertise throughout his long service to the Authority and the State of Vermont; and

WHEREAS, with his contributions, the Authority has been an important tool in supporting sound investments in public policy initiatives compatible with the goals of Vermont and its people; and

WHEREAS, his associates have deep respect for his personal integrity, his willingness to consider the views of others, his excellent judgment and his ability to make sound decisions;

NOW THEREFORE BE IT RESOLVED, that the Members of the Authority, its officers and staff, pay tribute to Michael C. Snyder and express to him their gratitude for his able service, and wish him continuing good health and happiness in his other pursuits; and

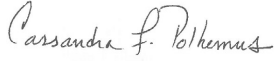
BE IT FURTHER RESOLVED, that a copy of this resolution be recorded in the Minutes of the Authority and a copy be furnished to Michael C. Snyder.

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There being no other business to properly come before the Authority, on a motion by T. Collier, seconded by R. Shippee, the meeting adjourned at 10:38 a.m.

ATTEST:

Vermont Economic Development Authority

By:   
Cassandra F. Polhemus, Chief Executive Officer

# VERMONT AGRICULTURAL CREDIT CORPORATION

## Meeting Minutes

December 16, 2022

A meeting of the Vermont Agricultural Credit Corporation (VACC) convened via video conferencing on December 16, 2022, beginning at 10:30 a.m. Directors present via video conferencing were: S. Voigt, Chair; A. Eastman (designee for A. Tebbetts); C. Carpenter; E. Delhagen (designee for J. Tierney); D. Marvin; J. Goldstein (designee for L. Kurrel); K. Hale; K. Bourgeois; M. Snyder; P. Elwell; R. Shippee; T. Foster; T. Gallagher and T. Collier. Staff present via teleconferencing were: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Isham, Secretary; R. Grzankowski, Assistant Secretary; J. Emens-Butler, Assistant Secretary; C. Houchens, Chief Risk and Resource Officer; S. Buckley, Director of Energy & Broadband Lending; S. Croft, Deputy Director of Commercial Lending; A. Wood, Deputy Director of Agricultural Lending and E. Denny, Senior Commercial Loan Office. Those Directors present constituted a quorum.

### Consent Agenda

#### Approval Item

1. Minutes of October 28, 2022

#### Informational Items

2. Loan Review Report – Guaranteed Agricultural
3. Board Loan Committee – Approvals

<b>Name</b>	<b>Town</b>	<b>Loan Amount</b>
Gevry, Ethan C.	Addison	\$85,000 \$31,857
Gevry Firewood LLC; Gevry, Ethan C.	Addison	\$120,000 \$180,000

4. Staff Authority – Loan Approvals

<b>Name</b>	<b>Town</b>	<b>Loan Amount</b>
Sugar Feather Farm, LLC; Ferrier, Nicolle G. and McCulloch, Robert J.	West Berlin	\$80,000
Vermont Trade Winds, LLC; Hescoek, Loraine M. and Timothy A.	Shoreham	\$178,000
White, Elijah and Mary	Corinth	\$406,000 \$227,000



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		LOC: \$75,000
Blackbird Organics, LLC; Dewey, Kagen T. and Magnant, Elise J.	Marshfield	\$255,000
Ackermann Enterprises LLC; Ackermann, Ian R. and Caitlin A.	Cabot	\$120,000 LOC: \$200,000
Boneyard Farm LLC; Doyle, Hannah H. and John M.	Cambridge	\$10,000

5. Staff Authority – Other Business

On a motion by T. Collier, seconded by M. Snyder, the Minutes of October 28, 2022 were approved by the Directors of the Corporation by a vote of 13 to 0 with the chair abstaining.

Agricultural Update

A. Eastman’s noted the Agency of Agriculture, Food & Markets has been extremely busy with the pending retirement of Diane Bothfield, Director of Administrative Services, as well as working with the Legislative Committee on Administrative Rules toward updates to rules that were last updated in 1991. Next, A. Eastman noted REBA (Racial Equity and Belonging Audit) and efforts in working with MMG Earth, a research and change management firm, on ways to be more inclusive in hiring.

There being no other business to properly come before the Corporation, on a motion by T. Collier, seconded by R. Shippee, the meeting adjourned at 10:53 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: \_\_\_\_\_  
Sarah C. Isham, Secretary

# VERMONT 504 CORPORATION

## Minutes

December 16, 2022

A meeting of the Vermont 504 Corporation convened via video conferencing on December 16, 2022 beginning at 10:54 a.m. Those Directors present via video conferencing were: A. Eastman (designee for A. Tebbetts); C. Carpenter; E. Delhagen (designee for J. Tierney); D. Marvin; J. Goldstein (designee for L. Kurrle); K. Hale; K. Bourgeois; M. Snyder; P. Elwell; R. Shippee; S. Voigt; T. Foster; T. Gallagher and T. Collier. Staff present via video conferencing were: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Croft, Secretary; R. Grzankowski, Assistant Secretary; J. Emens-Butler, Assistant Secretary; C. Houchens, Chief Risk and Resource Officer; S. Buckley, Director of Energy & Broadband Lending; S. Isham, Director of Agricultural Lending; A. Wood, Deputy Director of Agricultural Lending and E. Denny, Senior Loan Officer. Directors T. Gallagher, R. Shippee and C. Carpenter have commercial lending experience. Those Directors present constituted a quorum.

C. Polhemus chaired the meeting.

### Consent Agenda

#### Approval Items

1. Minutes of October 28, 2022
2. Audited Financial Statements

#### Informational Items

3. Loan Review Report

On a motion by T. Collier, seconded by S. Voigt, the Minutes of the October 28, 2022 Vermont 504 Corporation meeting and the Audited Financial Statements were approved as presented by those Directors of the Corporation present by a vote of 14 to 0.

SBA SMART Review (Report?) and VEDA Response

1. Board Memo Re SBA SMART Report
2. SBA Report Cover Letter
3. SBA Smart Review Report
4. VEDA Management Response Letter
5. Appendix D Board Member Acknowledgement

C. Houchens provided an overview of the SBA Smart Review Report, noting that a response is due to the SBA by December 24<sup>th</sup> including Member signatures on Appendix D. The Board discussed the low volume of SBA 504 activity over the years, resulting in a repeat finding in the SBA's review. C. Polhemus stated she is reviewing the benefits and costs of keeping the program with the Commercial lenders and management and will update the Board on this internal review process in future meetings.

There being no other business to properly come before the Corporation, on a motion by J. Goldstein, seconded by T. Collier, the meeting adjourned at 11:19 a.m.

ATTEST:

Vermont 504 Corporation

By:   
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Sandra Croft, Secretary

By:   
\_\_\_\_\_  
Vermont 504 Corporation Director

VERMONT SMALL BUSINESS DEVELOPMENT CORP.

Minutes

December 16, 2022

A meeting of the Vermont Small Business Development Corp. (VSBDC) convened via video conferencing on December 16, 2022 beginning at 11:20 a.m. Those Directors present via video conferencing were: A. Eastman (designee for A. Tebbetts); C. Carpenter; E. Delhagen (designee for J. Tierney); D. Marvin; J. Goldstein (designee for L. Kurrle); K. Hale; K. Bourgeois; M. Snyder; P. Elwell; R. Shippee; S. Voigt; T. Foster; T. Gallagher and T. Collier. Staff present via video conferencing were: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Croft, Secretary; R. Grzankowski, Assistant Secretary; J. Emens-Butler, Assistant Secretary; C. Houchens, Chief Risk and Resource Officer; S. Buckley, Director of Energy and Broadband Lending; S. Isham, Director of Agricultural Lending; A. Wood, Deputy Director of Agricultural Lending; S. Croft, Deputy Director of Commercial Lending and E. Denny, Senior Commercial Loan Officer. Those Directors present constituted a quorum.

C. Polhemus chaired the meeting.

Consent Agenda

Approval Item

1. Minutes of October 28, 2022

Informational Items

2. Staff Authority – Loan Approvals

<b>Name</b>	<b>Town</b>	<b>Loan Amount</b>
Architectural Metal Supply Inc.	Richmond	\$71,102.50
Babin LLC QM Store Inc.	Barre	\$270,000.00
Real Estate Holding Company to Be Formed Harvest to Hearth LLC	Bennington	\$230,000.00

3. Staff Authority – Other Business
4. Staff Authority – Loan Denials

VSBD C Minutes – December 16, 2022

On a motion by P. Elwell, seconded by R. Shippee, the Minutes of the October 28, 2022 meeting were approved as presented by those Directors of the Corporation present by a vote of 14 to 0.

There being no other business to properly come before the Corporation, on a motion by J. Goldstein, seconded by S. Voigt, the meeting adjourned at 11:21 a.m.

ATTEST:

Vermont Small Business Development Corp.

By:   
\_\_\_\_\_

Sandra Croft, Secretary